

**Town of Essex
29 West Avenue
Essex, CT – Meeting Room A**

**Board of Finance
April 21, 2016**

MINUTES

In attendance: Campbell Hudson, Vice Chairman, Mary-Louise Polo, Vincent Pacileo III, Don Mesite and Jeffrey Woods. Absent: Keith Crehan

Others in attendance: Norman Needleman, First Selectman
Kelly Sterner, Finance Director
James Francis, Treasurer
Yvonne Roziak, Recording Secretary

Meeting was called to order at 7:06 p.m. by Campbell Hudson.

APPROVAL OF AGENDA:

Motion made by Jeffrey Woods to approve the agenda, seconded by Mary-Louise Polo. Passed unanimously. Motion carried.

APPROVAL OF MINUTES:

Mary-Louise Polo had a correction under Approval of Minutes – 3rd Paragraph – 5th line down, should read “ for Keith Crehan to be present and perhaps we’ll know more then (*delete than*) about recent developments regarding. In the 2nd paragraph – 5th line down, “*comma should be moved to*” the *Town Meeting*, (versus after the word although) there may not be any more news then what we have today. “

Jeffrey Woods moved to accept the minutes (as amended) of the Regular Meeting on April 14, 2016, seconded by Don Mesite. Passed unanimously. Motion carried.

FINANCIAL REPORT:

Revenues:

We have now finished the third quarter of fiscal year 2015-16. Property taxes are showing their seasonal slowdown but the current property tax collection rate finished the month at 99.1% which is right in line with 99.3% the prior year. Combined, total tax collections are at 99.6% of the full year total – an exact duplicate of prior fiscal year. In the State & Federal Revenue category, the only receipt for the month was the Access Line Tax Share of \$27k. Turmoil at the state regarding revenue seems to concentrate on next fiscal year and currently the state promises no cuts to LOCIP and ECS for this fiscal

year. Nonetheless, the municipal grant in aid of approximately \$74K is about two months late and could be cause for concern. This uncertainty would have a major impact on our forecast. Local revenue of \$29K was softer than it had been in the past 2 months but based on the strength of Conveyance Tax and the surpluses received from Region 4 and supervision district that will be reflected in our April numbers, we anticipate finishing the fiscal year above budget. Bottom line we are currently projecting a \$75K surplus at fiscal year-end. Once again, this could be reduced to zero if the state municipal grant does not come through.

Expenditures:

Expenditures for the month of March totaled \$2,658,592 bringing total YTD spending to \$17,940,261 or 77.2% of budget. Education expenditures totaled \$2,127,724 which included a scheduled debt service payment. The \$531K of town government expenditures included quarterly payments to the Libraries (\$97K), Valley Shore for 911 services (\$58K) and our general insurance provider (\$42K). We continue to track well compared to prior fiscal years. Even accounting for the anticipated \$43K deficit in the Essex Elementary School operating expenditures due to the unanticipated special education costs, we are currently projecting to be under budget by approximately \$86K. The projected police savings are offset by the overage in the Resident Trooper line which we have been aware of since early in the budget year. Please keep in mind that this is an early forecast and could be subject to significant change as we move through the last quarter of the fiscal year.

Motion made by Don Mesite to accept the Financial Report, seconded by Jeffrey Woods. Passed unanimously. Motion carried.

SELECTMEN'S REPORT:

Norman discussed the painting of the overpasses/bridges and the color of gray/green was chosen. The contractor overseeing the project is using it as an intern exercise and the work is being done at no direct cost to the Town. The Town is fortunate because to paint bridges according to state standard can run as high as \$1M. Essex Foundation and Rotary, along with other groups, raised \$18K to fund the cost of bridge paint. The Essex Foundation is setting aside money to landscape the on and off ramps.

Norman mentioned a few items that are currently going on and they are as follows:

Two walk-thru's on Monday for the Safe Walks to School Project as well as the paving and sidewalk project at the school. Fire suppression system vendors will be doing their walk-thru on Tuesday.

New auditorium chairs were ordered and will be arriving and we will also be looking at an audio/sound system as well.

Ivory Street Bridge has gone through Wetlands. The Walnut Street Bridge is progressing on its own timetable.

Essex Island Marina (Brewers) was sold and they are looking to make some changes there. Village Provisions is closed and is in negotiations for someone to go in there right away.

Also coming up is the Burning of the Ships, Boat Show and a Pancake Breakfast.

Cumberland Farms passed with a smaller canopy and fire protection system. Essex Station Apartments affordable housing public hearing is being continued to Monday, April 25th. The application did not require a Public Hearing and some people were very vocal and felt there was lack of communication on this issue.

After Essex Place (Elderly Affordable Housing) and Essex Station, the Town of Essex will still come up short with regards to required affordable housing needed.

Norman mentioned that the Board of Selectman did not see fit to make any adjustments to the current proposed budget based on the potential state revenue cuts.

OLD BUSINESS: None

NEW BUSINESS:

Approval of Budget - Jeffrey Woods recommended moving forward with the budget the way it is. Jim Francis said to look at it like a good expense budget. Vin Pacileo said the question is not on the expense side and sees no reason not to move forward, however, he feels the caveat is Region 4. He stated it will be interesting to see if the Region 4 referendum will pass. It will be the majority of the individual voters in all three town not the voters in "each" town.

Campbell read the numbers making up the budget: Selectman's Budget of \$7,651,641 plus Essex Board of Education Budget \$7,635,408, project estimate of Region 4 is \$8,454,525.

Vin Pacileo made a motion to approve and move to the Town Meeting the proposed 2016-2017 Expenditures in the amount of \$23,741,574 for the support of schools, highways and the general government and other necessary objects, seconded by Jeffrey Woods. Passed unanimously. Motion carried.

COMMUNICATION AND CORRESPONDENCE: None

PUBLIC COMMENT: None

ADJOURNMENT:

Motion made by Jeffrey Woods to adjourn the meeting at 8:05 p.m., seconded by Don Mesite. Passed unanimously. Motion carried.

Respectfully submitted,

Yvonne M. Roziak